

VZCZCXRO3047
PP RUEHCN RUEHGH RUEHVC
DE RUEHHK #1341/01 2020721
ZNY CCCCC ZZH
P 210721Z JUL 09 ZDK
FM AMCONSUL HONG KONG
TO RUEHC/SECSTATE WASHDC PRIORITY 8138
INFO RUEHOO/CHINA POSTS COLLECTIVE PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 HONG KONG 001341

SIPDIS

STATE FOR EAP/CM

E.O. 12958: DECL: 07/20/2034
TAGS: [PGOV](#) [PREL](#) [PHUM](#) [HK](#) [CH](#) [MC](#)
SUBJECT: MARTIN LEE WORRIES ABOUT THE BASIC LAW, WELCOMES
POLICY ACT RESURRECTION

REF: HONG KONG 1314

HONG KONG 00001341 001.2 OF 002

Classified By: Consul General Joe Donovan, Reason 1.4 b/d

11. (C) Summary: During the Consul General's farewell call on July 17, former-Democratic party chief Martin Lee linked his work on behalf of Stanley Ho's sister to the recently revealed 2008 attempt on his life and dismissed speculation that the Chinese government might have had a role in the plot. He worried that a recent Hong Kong court decision to hear arguments about LegCo's subpoena power could elicit an unwelcome ruling from the National People's Congress Standing Committee (NPCSC) about LegCo's powers under the Basic Law. Finally, he welcomed the news that the Hong Kong Policy Act Report will be renewed in 2010, noting that this annual review of Hong Kong's democratic development is even more important since China was granted Permanent Normal Trading Relations (PNTR) as a prelude to its WTO-accession in 2001. End Summary.

Lee Welcomes Hong Kong Policy Act Redux
=====

12. (C) The Consul General paid his farewell call on lawyer, Democratic Party of Hong Kong founder, and former LegCo member Martin Lee on July 17. Lee thanked the Consul General for his service in Hong Kong and asked him to encourage additional visits by senior U.S. officials from his new posting in Washington. He also asked that U.S. visitors to Beijing remind the Chinese government of our continued interest in Hong Kong's democratic development. "A little word from such visitors is all it takes," said Lee. Regardless of their public statements, the Chinese authorities care about U.S. views on Hong Kong. Lee was particularly pleased that Congress had included language resurrecting the Hong Kong Policy Act Report, which had lapsed in 2007. At a time when the U.S. government no longer has the annual opportunity to review Chinese conduct in Hong Kong as it did during PNTR debates of the past, the views expressed in the Hong Kong Policy Act Report take on additional importance, said Lee.

Assassination Plot Linked to Stanley Ho, Not PRC
=====

13. (C) Lee then turned to developments in the case against the men recently convicted of conspiring to assassinate him. He had recently heard from sources in the press that the man who had ordered the attack had been arrested in China and would be prosecuted in Shenzhen court in a few months. Lee lamented that so far he has had no word from the Hong Kong Police about the case. As the target of the planned attack, he said, he hoped for more information from the police.

14. (C) He dismissed any idea that the Chinese government was connected to the plot, noting that at the time of the arrests, LegCo elections were imminent. An attempt on his life would almost certainly benefit pan-democratic candidates, an outcome that Beijing would not want, said Lee.

Instead, he speculated that the plot was connected to his work for Winnie Ho, sister of Macau gaming tycoon Stanley Ho, who had filed numerous lawsuits to prevent her brother from launching an Initial Public Offering (IPO) of his Macau gaming conglomerate Sociedade de Jogos de Macau (SJM). Winnie Ho's lead attorney in these cases was legislator and democracy advocate Albert Ho (no relation), who was famously assaulted in 2006; the men convicted were all widely-rumored to be linked to Stanley Ho. Winnie Ho's previous attorneys and accountants had also been threatened, said Lee. Although Winnie Ho eventually lost the case, the SJM IPO was delayed by many months and the size was scaled down, costing Stanley Ho as much as US\$500 million. The plot was almost certainly connected to this case, said Lee.

LegCo Powers At Risk?

=====

15. (C) The recent Hong Kong court decision to hear arguments about the LegCo's ability to call witnesses to testify before special committees should be an easy win for the government, Lee said, but has opened the door to the possibility of an NPCSC ruling on the LegCo's powers. The law is clear on this issue, he said, and the plaintiff (New World Development Company CEO Henry Cheng) will lose, but it could take several months for the case to wind its way through the appeals process. The NPCSC could intervene after the Court of Final Appeal makes its ruling. While this seems unlikely, Henry Cheng has powerful friends in China, said Lee, and may be able to sway the NPCSC to get involved. In the meantime, the

HONG KONG 00001341 002.2 OF 002

LegCo will be unable to call witnesses before standing committees, meaning delays for any matter before a LegCo standing committee. In the end, Lee considered an NPCSC ruling on the issue unlikely, at least as long as the pro-Beijing Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) party elder and President of LegCo Jasper Tsang is in power. Beijing will not want to curtail LegCo powers during Tsang's watch, said Lee.

DONOVAN